

7 December 1959

MEMORANDUM FOR THE DIRECTOR

SUBJECT: HIE 63-2-59: The Prospects for Indonesia

BACKGROUND

1. This estimate was scheduled as part of the regular estimates program and approved by the USIB on 7 July 1959 (USIB-1-24.1/4). It was originally scheduled for completion in September but was slipped to make way for more urgent papers.

CORRECTIONS

2. A cleanup session was held during the morning of 7 December as a result of a number of changes desired by Ambassador Canning. This accounts for the items on the change sheet. We were able to reach agreement on all but two points on which the State representative reserves his position.

a) Page 16, paragraph 24, lines 5 and 9: State would delete the sentence which reads: "This friction is aggravated by the Communist leanings of some of the air force leaders."

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b) Page 29, paragraph 4, line 3: State would delete the clause which reads: "... who may be under Communist influence."

3. The intelligence reasons for State's position are not clear. We have described Air Marshal Suryadarma and other high ranking air force officers in these terms in previous estimates and believe the description to be accurate. We have re-checked this point with DD/P.

FOR THE BOARD OF NATIONAL ESTIMATES:

ARNDT SMITH
Acting Chairman